



United States Department of the Interior

NATIONAL PARK SERVICE

1849 C Street, N.W.
Washington, D.C. 20240

FEB 6 2008

**Re: L.R. Jackson Tobacco & Cotton Exchange Warehouse, 225 N. Salem St.,
Apex, North Carolina
Project Number: 20129
Taxpayer's Identification Number:**

Dear

My review of your appeal of the decision of Technical Preservation Services, National Park Service, denying certification of the rehabilitation of the property cited above is concluded. The appeal was initiated and conducted in accordance with Department of the Interior regulations (36 CFR Part 67) governing certifications for Federal income tax incentives for historic preservation as specified in the Internal Revenue Code. Thank you and your associates,

for meeting with me in Washington on January 25, 2008, and for providing a detailed account of the project.

After careful review of the complete record for this project, I have determined that the rehabilitation of the L.R. Jackson Tobacco & Cotton Exchange Warehouse is not consistent with the historic character of the property and the historic district in which it is located, and that the project does not meet Standards 2, 3, and 9 of the Secretary of the Interior's Standards for Rehabilitation. Therefore, the denial issued on September 25, 2007, by Technical Preservation Services (TPS) is hereby affirmed.

Built in 1917, the L.R. Jackson Tobacco & Cotton Exchange Warehouse is located in the Apex Historic District. On July 2, 2007, TPS certified the building as contributing to the significance of the district. TPS then found that the nearly completed rehabilitation of this "certified historic structure" did not meet the Standards for Rehabilitation owing to changes at the street level facade and the new cornice added to the stepped parapet.

I agree with TPS that these changes have diminished the historic character and caused the project not to meet the Secretary of the Interior's Standards for Rehabilitation. Built originally as a warehouse, and later turned to a number of other uses, the structure featured large arched openings on the north elevation to accommodate loading and unloading. The Part 1—Evaluation of Significance for this project states that these openings were "the most significant feature of this building...." The street facade featured smaller window and door openings typical of office use (together with an unsympathetic later storefront added in more recent decades). Together with the stepped parapet, these features were dominant, character-defining features of the building.

In the course of the rehabilitation, which is now completed, the openings at the ground level of the street facade were reworked: in place of the small window and door openings and later

storefront, new openings were created imitating those on the north elevation. The new openings suggest both openings used for transferring freight, typical of an industrial use, but also storefronts, typical of a retail use. (The photographs of completed work shown at our meeting, and thus not available to TPS during its review, show that the openings have been infilled with glass panels suggestive of storefronts across the building.) These changes not only diminish the known historic appearance and character of the structure, in opposition to Standard 2, but also create prominent new features that cause the project to fall short of Standard 9 as well. Standard 2 states: *"The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided."* Standard 9 states: *"New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment."* Furthermore, because the new openings are not based on physical or documentary evidence, they cause the project to violate Standard 3 as well. This standard requires that *"Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken."*

I would like to make it clear that the replacement of the non-historic storefront *per se* did not enter into this decision. Because the storefront was clearly a recent and incompatible change, its removal is acceptable. In such cases, where later incompatible changes remain at the start of a rehabilitation, three options are available to owners: to leave the existing feature in place, to remove it and restore the historic feature to a documented appearance, or to install a new, compatible feature. While there are no known historic photographs of the original façade, there was physical evidence of the original configuration visible in the brickwork, notably the segment of an arched opening. As I mentioned above, however, the course taken here (installing openings suggestive of the freight openings on the north side) has given the facade a fabricated "historic" appearance that is at odds with the known historic character and development of the building.

I likewise agree with TPS that the large decorative cornice added to the building also causes the project to contravene the Standards. The cornice unacceptably modifies the simple stepped, corbelled, parapet typical of modest industrial buildings of this time and place, in contrast with Standard 2, cited above. Because the new cornice is conjectural and suggests a feature associated with a grander structure, the treatment also causes the project not to meet Standards 3 and 9.

In its denial letter, TPS did not cite several other treatments that I find do not meet the Standards. For example, the main floor historically had been a large open space spanned by large roof trusses, with a mezzanine office and auctioneer's platform at the east end. More recent owners had installed partition walls and additional mezzanines that caused damage to the roof trusses. The rehabilitation removed the later partitions and mezzanines and repaired the damaged trusses. Unfortunately, the walls of the new longitudinal corridor that you installed extend to the underside of the roof deck, so that there is no place in the building where visitors can experience the historic character of the expansive volume of the original space. The use of salvaged materials, both from the warehouse and from other structures, and new, rough sawn lumber provides a cohesive appearance to the completed rehabilitation. However, it also makes it difficult to distinguish the historic materials in their original locations from the new work. The effect of these interior treatments also contravenes Standards 2, 3, and 9, as cited above.

Unfortunately, because the work done here is both thoroughgoing and completed, I see no practicable way to bring the project into conformance with the Standards for Rehabilitation. It is

regrettable that the project was evidently fairly well advanced when the application was submitted to the State Historic Preservation Office. It is the experience of the National Park Service that it is almost always possible to rehabilitate such structures in a manner that both accommodates the new use and maintains their historic character. To this end, both the application (page 2) and the regulations governing the program "strongly encourage" owners to apply before undertaking rehabilitation project work. Owners are free to apply after starting rehabilitation work; however, they do so "strictly at their own risk." [36 CFR Part 67.6]. At our meeting, you mentioned that you are planning the rehabilitation of another historic building, and I encourage you to submit that application as soon as possible.

As Department of the Interior regulations state, my decision is the final administrative decision regarding rehabilitation certification. A copy of this decision will be provided to the Internal Revenue Service. Questions concerning specific tax consequences of this decision or interpretations of the Internal Revenue Code should be addressed to the appropriate office of the Internal Revenue Service.

Sincerely,

A handwritten signature in dark ink, appearing to read "John A. Burns". The signature is fluid and cursive, with the first name "John" being more prominent.

John A. Burns, FAIA
Chief Appeals Officer
Cultural Resources

cc: SHPO-NC
IRS